

Thursday, May 31, 2018

	1-Month	YTD	1-Year
Equity Returns			
Dow Jones Industrial Average	1.41%	-0.24%	18.91%
S&P 500	2.41%	2.02%	14.38%
NASDAQ	5.50%	8.31%	21.34%
S&P Mid Cap	4.13%	3.05%	14.86%
Russell 2000	6.07%	6.90%	20.76%
MSCI World (ex-US)	-2.31%	-1.92%	9.67%
MSCI EAFE	-2.25%	-1.55%	7.97%
Developed Intl Ex-US Small Cap	-0.96%	0.63%	14.65%
MSCI Emerging Markets	-3.54%	-2.61%	14.03%
MSCI ACWI	0.12%	0.11%	11.84%

	1-Month	YTD	1-Year
S&P 500 Sector Returns			
Consumer Discretionary	1.99%	7.63%	17.82%
Consumer Staples	-1.53%	-12.49%	-10.14%
Energy	3.04%	6.05%	19.93%
Financials	-0.90%	-2.21%	18.97%
Health Care	0.22%	0.20%	10.26%
Industrials	3.01%	-1.43%	10.46%
Information Technology	7.37%	11.26%	28.20%
Materials	2.07%	-3.42%	11.55%
Real Estate	2.26%	-3.47%	2.49%
Telecom	-2.28%	-10.48%	-3.85%
Utilities	-1.13%	-2.38%	-2.09%

	1-Month	YTD	1-Year
Style Returns			
S&P 500 Growth	4.33%	6.63%	19.44%
S&P 500 Value	0.26%	-2.84%	8.94%
S&P High Beta	4.79%	3.87%	22.62%
S&P Low Volatility	0.73%	-0.71%	6.73%

	1-Month	YTD	1-Year
Fixed Income Returns			
Barclays Agg	0.66%	-1.75%	-0.66%
Barclays Agg 1-3 Year	0.34%	-0.03%	0.50%
Barclays Intermediate Gov Credit	0.54%	-1.01%	-1.03%
Barclays Global Bond	-3.79%	-4.10%	2.88%
Barclays High Yield	-0.24%	-1.27%	0.59%
Barclays High Yield Muni Index	1.63%	2.34%	5.63%

	1-Month	YTD	1-Year
Alternative Returns			
Alerian MLP	5.05%	0.93%	-3.71%
Gold	-1.38%	-0.32%	2.35%
US Dollar Index	2.33%	2.02%	-3.03%
Volatility Index	-3.14%	39.76%	48.22%

Equity market returns were uneven across geographies in May as US markets outpaced all other major global markets. In the US, small cap stocks outpaced large as the Russell 2000 index outperformed the S&P 500 by a wide margin. Emerging Markets equities underperformed the rest of the international equity space. The Information Technology sector outperformed in a big way versus both the broad market as well as other sectors. Cyclical areas of the market posted gains at the expense of their defensive counterparts.

As of the end of May, 99% of S&P 500 companies had reported 1st quarter earnings. Year-over-year earnings growth for S&P 500 companies in the 1st quarter came in at 26.4%, 6.6% ahead of the consensus forecasts while revenue grew 8.3% from the same period a year ago, a 1.1% surprise versus consensus estimates. The biggest surprise came from more cyclical sectors like Energy, Industrials, Technology, and Consumer Discretionary.

The May PMI Manufacturing Index was little changed at 56.4, coming in below expectations of 56.6, however still sitting near a multi-year high. Backlog orders increased at the fastest rate in 2-1/2 years and shipping delays are the longest on record.

In a reversal of recent history, interest rates declined in May, boosting bond prices. The US yield curve continued to flatten, as measured by the 10 year minus the 2 year treasury yield. The US Dollar Index increased 2.33%, bringing its year-to-date gains into positive territory. US equity volatility was slightly lower for the month.

	Close	Prior Week	Prior Year End	1 Year Ago
Interest Rates				
Fed Funds Target	1.50% - 1.75%	1.50% - 1.75%	1.25% - 1.50%	0.50% - 0.75%
2-Year Treasury	2.41%	2.47%	1.89%	1.28%
5-Year Treasury	2.66%	2.82%	2.21%	1.75%
10-Year Treasury	2.82%	2.97%	2.41%	2.20%
Merrill Lynch Inv. Grade Corp.	3.93%	3.96%	3.27%	3.19%
Merrill Lynch High Yield	6.31%	6.29%	5.84%	5.57%

	Close	Prior Week	Prior Year End	1 Year Ago
Commodities				
WTI Oil	67.04	68.64	60.42	48.32
Gold	1297.87	1324.9	1302.1	1268.09
Natural Gas	2.952	2.74	2.953	3.071

	Close	Prior Week	Prior Year End	1 Year Ago
Currency				
EUR/USD	1.169	1.2207	1.1996	1.1241
GBP/USD	1.3298	1.3939	1.3512	1.2888
USD/JPY	108.81	108.7	112.67	110.75
USD/BRL	3.7225	3.4521	3.3121	3.2262
USD/MXN	19.91	18.94	19.65	18.62

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